Expert Workshop “low water and its impact on Rhine navigation” 18.1.2023

What has been learnt since 2018?

00.

Chapter 0

What has been learnt since 2018?

01.

Chapter 1

Economic impact

02.

Chapter 2

Needs of the sector

03.

Chapter 3

Water scarcity and drought – what society needs

00. What has been learnt since 2018?

- Economic impact
- Needs of the sector
- Water scarcity and drought – what society needs

01. Economic impact

- Huge costs
- Lack of reliability
- Reverse modal shift

01. costs

The interruption in the logistics chains of the 2018 low water period caused considerable economic losses. For Germany this materialised in a decrease of its industrial production by 5 billion Euros (source: CCNR Market observation – Annual Report 2019)

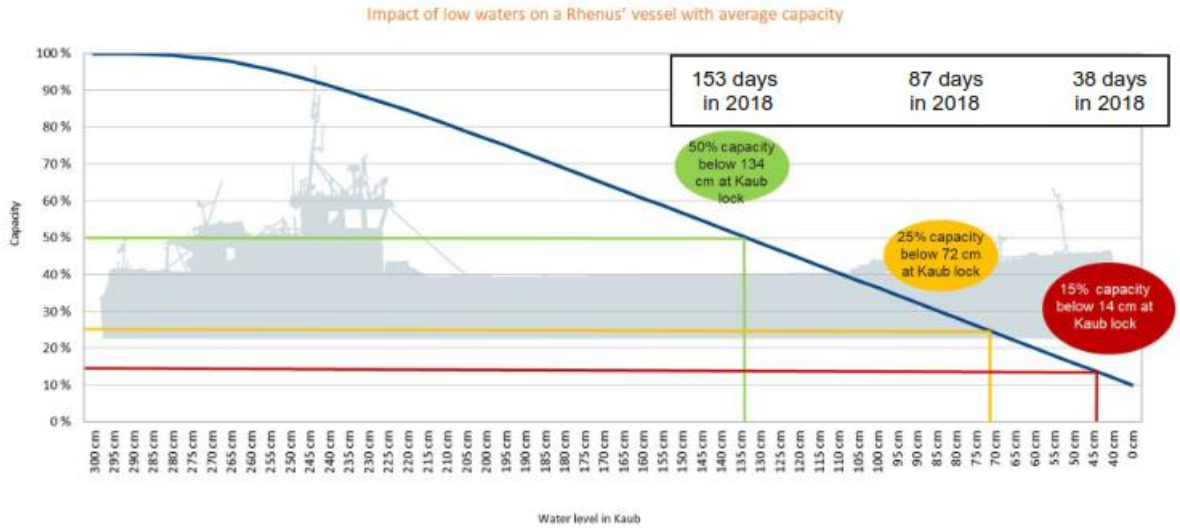

Figure 11: Fleet capacity vs water levels at Kaub (Source: Rhenus Logistics)

01. costs

Economic and financial impact of the 2018 low water period (source: Economische impact laagwater, Erasmus UTP)

Table 1: financial impact Netherlands and Germany of low water

		Nederland	Duitsland	Totaal
Financial impact inland shipping sector	Net revenue	+ 378 million euro	+ 95 million euro	+ 473 million euro
	Additional costs	- 302 million euro	- 76 million euro	- 378 million euro
	Net profit	*+ 76 million euro*	*+ 19 million euro*	*+ 95 million euro*
Financial impact shippers	Transport costs	- 245 million euro	- 243 million euro	- 488 million euro
	Production reduction	- 60 million euro	- 2.1 billion euro	- 2.2 billion euro
	Strategic stocks	- 66 million euro	- 65 million euro	- 131 million euro
	Total negative impact	*- 371 million euro*	*- 2.4 billion euro*	*- 2.8 billion euro*
Total financial impact		***- 295 million euro***	***- 2.4 billion euro***	***- 2.7 billion euro***

01. costs

The economic and financial impact of the low water period in 2022 is expected at a comparable level.

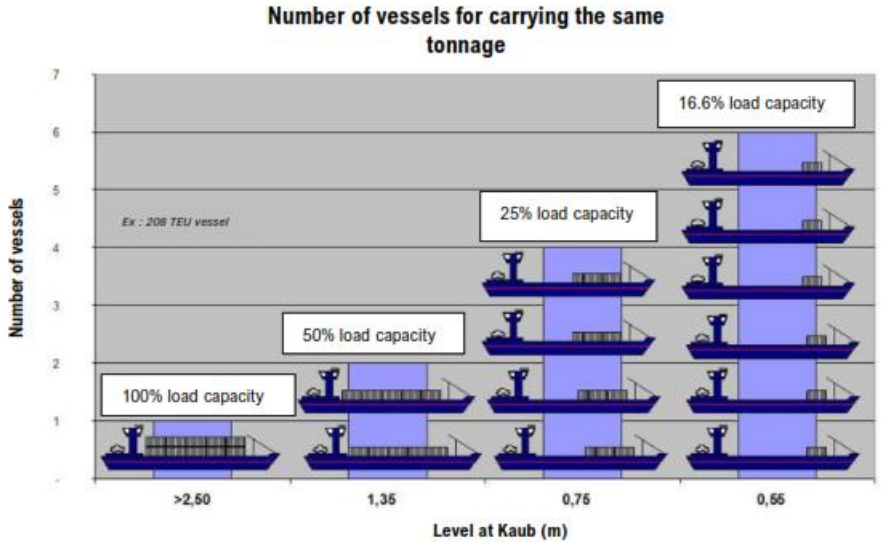

Figure 10: Amount of ships required to transport a fix amount of cargo (Source: CONTARGO)

01. Lack of reliability

- Disruption of IWT activities
- Restricted loads to be carried
- Increased sailing time
- Increased costs of carriage

01. Reverse modal shift

- Re-routing via other modes in case of low water
- Difficult to regain volumes after such periods
- Undermining the overall EU policies regarding reduction of GHG and increasing modal share of IWT

02. Needs of the sector

- Reliability
- Sufficient investment in infrastructure
- TEN-T revision

02. Reliability

- IWT needs a reliable, safe, cost effective and climate resilient infrastructure network.
- River Rhine counts for 70 % of IWT carried on EU waterways
- Societies and major industries in Europe depend on a seamless supply of their goods via waterways, while tourism on waterways is of increasing economic importance

02. Reliability

Aktionsplan „Niedrigwasser Rhein“

Informationsbereitstellung

1. Wasserstandsvorhersage verbessern
2. DAS–Basisdienst Klima & Wasser
3. Aktuelle Tiefeninformationen bereitstellen

Transport & Logistik

4. Transportkonzepte anpassen & Technik optimieren

Infrastruktur

5. „Abladeoptimierung am Mittel– & Niederrhein“ beschleunigen
6. Beschleunigte Umsetzung der Abladeoptimierung am Mittelrhein durch Maßnahmengesetz

Langfristige Lösungsansätze

7. Wasserbauliche & wasserwirtschaftliche Optionen untersuchen
8. Gesellschaftlicher Dialog

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02. Sufficient investment in infrastructure

- Modal shift high on political sustainability agenda
- Overall, from 2009 to 2017, the EU saw **a 15% decline in infrastructure investment** activities (as a share of GDP)*)
- Inland waterways infrastructure needs, including inland ports amount around EUR 47 billion between 2021 & 2027. Current CEF support is around EUR 1.8 billion for IWT.*)

Source: Staff working document to Sustainable and Smart Mobility Strategy.

02. TEN-T revision

- Good Navigation Status (GNS)
- Clear and ambitious parameters for waterways
- Non-deterioration
- More investment in waterway infrastructure
- Maintenance

03. Water scarcity and droughts - what society needs

- Drought and water scarcity have become more evident and impactful across the EU in the past decades
- Right balance between ecological and economic interests
- IWT must be properly integrated in future drought management systems in all relevant Member States.
- Strong transboundary cooperation between Member States
- multi-disciplinary and multi-sector approach that facilitates co-benefits measures

Many Thanks for your attention